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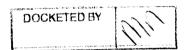
Attorneys for Intervenor City of Phoenix

BEFORE THE ARIZONA CORPORATION COMMISSION

SANDRA D. KENNEDY PAUL NEWMAN **BOB STUMP BRENDA BURNS**

Arizona Corporation Commission DOCKETED

APR 2 4 2012



IN THE MATTER OF THE APPLICATION OF ARIZONA-AMERICAN WATER COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND **CHARGES BASED THEREON FOR** UTILITY SERVICE BY ITS ANTHEM/AGUA FRIA WASTEWATER DISTRICT, SUN CITY WASTEWATER DISTRICT, AND SUN CITY WEST WASTEWATER DISTRICT.

DOCKET NOS. W-01303A-09-0343 and SW-01303A-09-0343

CITY OF PHOENIX EXCEPTIONS TO RECOMMENDED OPINION AND **ORDER ISSUED APRIL 10, 2012**

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OFFICE OF THE CITY ATTORNEY GARY VERBURG, City Attorney 200 W. WASHINGTON, SUITE 1300

The City of Phoenix (Phoenix), through its City Attorney, Gary Verburg, by his

Assistant, Cynthia S. Campbell, files the following exceptions to the Recommended

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Decision dated April 10, 2012 and requests that the Arizona Corporation Commission (Commission) considers these exceptions and adopts the proposed changes as part of the Final Decision in this docket.

- 1. On April 10, 2012, Administrative Law Judge Teena Jibilian issued her Recommended Opinion and Order in the above referenced docket number (Recommended Decision).
- 2. By Procedural Order dated April 18, 2012 all parties were granted an extension to file their exceptions to the Recommended Decision until April 27, 2012.
- 3. On page 43 of the Recommended Decision, Administrative Law Judge Jibilian proposes the following order:

IT IS FURTHER ORDERED that EPCOR Water (USA) shall file the system-wide rate filing as ordered by Decision No. 72047 that includes all of the affected districts, including the Sun City West Wastewater district, as soon as possible

Neither Decision No. 72047 nor the Recommended Decision requires EPCOR to submit such rate filing by a date certain. Phoenix requests that the Commission remove the words "as soon as possible" and replace them with a date certain in order that all parties to this docket, including Phoenix, have some certainty regarding the timing of a subsequent rate filing.

4. On pages 43-44 of the Recommended Decision, Administrative Law Judge Jibilian proposes the following order:

IT IS FURTHER ORDERED that the above-ordered system-wide rate filing shall include full cost of service studies and other information supporting consolidation sufficient for all parties to make their own reasoned proposals either for or against consolidation or deconsolidation, consistent with sound ratemaking principles.

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The Recommended Decision does not require EPCOR to complete a full cost of service study by a date certain. Considering that EPCOR (through its predecessor in interest Arizona-American) has stated on the record that it would take until 2013 just to review the data from the Agua-Fria Wastewater District, the Commission should insert a date certain within the Final Decision in this docket for EPCOR to complete a cost of service study.

WHEREFORE, the City of Phoenix requests that the Commission consider its exceptions and adopt the proposed changes to the Recommended Decision at the public hearing on this docket in May 2012.

RESPECTFULLY SUBMITTED this 24th day of April, 2012.

GARY VERBURG, City Attorney

CVNTHIA S. CAMPBELL

Assistant City Attorney

200 W. Washington, Suite 1300 Phoenix, Arizona 85003-1611

Original and 13 Copies of the foregoing hand delivered this 24th day of April, 2012 to:

Docket Control Arizona Corporation Commission 1200 W. Washington

Phoenix, AZ 85007

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¹ Recommended Decision dated April 10, 2012, page 30 (citing EPCOR (Arizona-American) Reply Brief at 2-3).

1	Administrative Law Judge
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	this 24 th day of April, 2012, to:
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